

Indiana Deferred Compensation Committee

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MINUTES
INDIANA DEFERRED COMPENSATION COMMITTEE
JULY 16, 2003
STATE HOUSE ROOM 233
10:00 A.M.

I. CALL TO ORDER

The meeting was called to order by Chairman Mike Gery.

II. ROLL CALL

Trustees in attendance: Mike Gery, Chairman; Jeff Heinzmann, Secretary, Betsy Burdick; Mike Puro, Tom Williams.

III. APPROVAL OF MINUTES

Tom Williams moved to approve the minutes, Betsy Burdick seconded, and the minutes were unanimously approved.

IV. INDIANA STABLE VALUE FUND REPORT

Bob Lally, Delaware investments reported to the Committee on the status of the Indiana Stable Value Fund. A report was presented to the Committee from Delaware Investments detailing the performance of the stable value fund.

V. REPORTS OF OTHER FUND PROVIDERS

A. OVERALL PERFORMANCE REPORT

Jeff Heinzmann, Secretary, presented to the Committee members a copy of a report detailing the recent performance of the funds in the Plan.

B. WELLS FARGO

Wells Fargo presented the Committee with a report detailing the success of the Large Company Growth Fund. The report detailed how the fund was performing, how investments were selected, the turnover rate for the fund, and the difference between growth and value funds.

A discussion took place between the Committee members and Wells Fargo on questions the Committee members had about the report given.

VI. REPORT ON ADMINISTRATION

Lesa Williamson reported on the administration of the Plan. Hoosier Start is in the final stage of completing a new presentation which is geared towards female investors. The administration has been holding meetings throughout the state to encourage new participants, as well as, focusing on asset retention. Recent communication pieces sent to participants by Hoosier Start have included 300 new enrollment kits and a package sent

to employees who have taken advantage of the state's early retirement package detailing all of their options for the deferred compensation account.

VII. COUNSEL'S REPORT

Mary Beth Braitman, Ice Miller, addressed the Committee on the two outstanding IRS issues. Both the new proposed leave conversion plan, which is a totally voluntary plan, and the local high volume participation proposal are still pending with the IRS.

VIII. DISCUSSION OF BAA FOR INVESTMENT CONSULTING SERVICES

After a brief discussion on the proposals received by the Committee, Jeff Heinzmann moved to select Buck and Capital Cities as finalists and to send both companies written questions to respond to in a interview with the Committee in late August. Betsy Burdick seconded, and the motion was unanimously approved.

IX. INSTITUTION OF REGULAR QUARTERLY MEETINGS

The Committee discussed the idea of having regularly scheduled quarterly meetings. Betsy Burdick suggested that the Committee wait to set the dates of the meetings until after the selection of the investment consultant so that, the future consultant would be able to have quarterly reports ready for the Committee's review. The Committee decided that it would select the dates for the quarterly meetings at a later date.

X. SECRETARY'S REPORT

Jeff Heinzmann, Secretary reported that three new local subdivisions had joined the state's 457 Plan. Lake County Public Library, the City of Angola, and Center Township have been approved to participate in the Plan.

XI. ADJOURNMENT

With no other business brought before the Committee, Chairman Gery adjourned the meeting.

